MINISTRY OF REGIONAL AND ECONOMIC DEVELOPMENT

ANNUAL REPORT
1989-1990

Province of British Columbia

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Province of British Columbia

OFFICE OF THE MINISTER

Minister of Regional and Economic Development

Parliament Buildings
Victoria
British Columbia
V8V 1X4

July 26, 1990

His Honour the Honourable David C. Lam
Lieutenant-Governor of the
Province of British Columbia
Government House
1401 Rockland Avenue
Victoria, British Columbia
V8S 1V9

Your Honour:

I herewith respectfully submit the annual report of the Ministry of Regional and Economic Development for 1989-1990.

Yours sincerely,

Stanley B. Hagen
Minister

Province of British Columbia

OFFICE OF THE DEPUTY MINISTER

Ministry of Regional and Economic Development

Sixth Floor
712 Yates Street
Victoria
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July 26, 1990

Honourable Stanley B. Hagen
Minister of Regional and
Economic Development
Parliament Buildings
Victoria, British Columbia
V8V 1X5

Dear Mr. Minister:

I respectfully submit herewith the annual report of the Ministry of Regional and Economic Development for 1989-1990.

Yours sincerely,

R. S. Plecas
Deputy Minster

MINISTRY OF REGIONAL AND ECONOMIC DEVELOPMENT

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OVERVIEW

1989 - 1990

OVERVIEW

The year 1989/90 was one of major accomplishments for the Ministry of Regional and Economic Development. Through its programs and policies, the Ministry increased access to government services, promoted sustainable development and fostered community-based economic development throughout the province.

As part of the government strategy to enhance and strengthen the process of regional development, the Ministry was restructured and a Regional Development Division was established. The Division focused its efforts on facilitating sustainable economic growth and

diversification in all regions of the province and promoting increased investment and new economic opportunities.

Task forces and committees in each of the development regions dealt with a wide variety of issues, including economic development, education, tourism and health care. The task forces, a major component of the regional development process, provided vital input to the Minister and the Regional Development Board, which was established in November 1989.

The Ministry placed special emphasis on meeting the needs of the small business sector, the primary generator of new jobs in the province. A Task Force on Small Business Programs and Services, with broad regional and business representation, was appointed to take a fresh look at the relationship between small business and government. The report of the task force contained many recommendations to enhance this vital sector of the economy.

Major accomplishments of the Ministry included:

- The Strong Communities in the 90s Program was established to help selected local communities in each region of the province to diversify and expand their economies.
- The Ministry promoted local entrepreneurial and business awareness by delivering over 100 home-based business seminars to 3,000 participants.
- The Ministry held 10 Business Opportunities At Your Doorstep Conferences in various communities throughout the province to help local entrepreneurs identify business opportunities in the area.
- The Ministry continued to build a network of local Business Information Centres (BICs) and community economic development organizations.
- New Access Centres opened in Chilliwack, Merritt, Prince George, Williams Lake, Dawson Creek, Vernon and Cranbrook, providing increased numbers of British Columbians with convenient "one-stop shopping" for key government services.
- Government Agents provided service to over 600,000 customers and the branch was awarded the B.C. Tel QualityService Award.
- The Ministry provided financial assistance to many small and medium-sized businesses throughout the province and to a wide variety of industries, including advanced technology, value-added wood processing, manufacturing and food processing.
- The Employee Investment Act facilitated employee investment through Employee Share Ownership Plans and Employee Venture Capital Corporations. Five companies registered plans representing some 500 employees.
- The Ministry, in cooperation with the Ministry of Environment, introduced the Major Project Review Process which will assure a coordinated environmental review of all major projects.
- The Ministry was involved in evaluating the economic and environmental viability of China Steel Corporation's proposal to build a state-of-the-art steel mill in British Columbia. The process is still ongoing. If the steel mill is built, it will inject over $4 billion into the provincial economy and create 4,000 direct jobs.

- The Ministry continued to work with the federal government and the international science community to secure funding for the TRIUMF-KAON project.
- The Ministry was involved in the provincial transportation planning program "Freedom To Move." Regional Transportation Committees in each of the development regions assessed the transportation needs of the communities and provided input for the development of a province-wide transportation strategy.

MISSION, PRINCIPLES AND STRATEGIC PRIORITIES

MISSION, PRINCIPLES AND STRATEGIC PRIORITIES

Mission

It is the mission of the Ministry of Regional and Economic Development to promote environmentally sound economic growth and diversification, and to ensure access to government services, in all regions of the province.

Principles

In carrying out this mission, the Ministry of Regional and Economic Development is committed to the following principles:

- Emphasis on the development of all regions of the province;
- Leadership and involvement of MLAs, local governments and regional development groups;
- Sharing responsibilities and benefits of regional development with Native peoples;
- Understanding that sustainable economic growth depends on a healthy and well managed environment in all regions;
- Protecting our rich endowment of natural resources for future generations of British Columbians;
- Providing excellence in the delivery of government services;
- Freeing the private sector to lead economic growth and job creation;
- Emphasizing communication, consultation and consensus by the people of the regions.

Strategic Priorities

The major strategic priorities for the Ministry of Regional and Economic Development are as follows:

- To foster environmentally sound economic growth and development and promote economic diversification in all regions of the province.
- To manage, develop and promote a world class system of parks in a manner that is supportive of regional economic development initiatives.
- To promote the economic, cultural and social development of Native peoples.
- To protect British Columbia's interests in federal-provincial and interprovincial arrangements and to ensure that the province receives an equitable share of federal regional development diversification and procurement expenditures.
- To facilitate effective channels of involvement and input between regions and line ministries involved in economic development and in the funding and delivery of health, education and other social services.
- To ensure effective communication between government and the regions and to facilitate a good public understanding of and access to government programs and services.

ECONOMIC DEVELOPMENT DIVISION

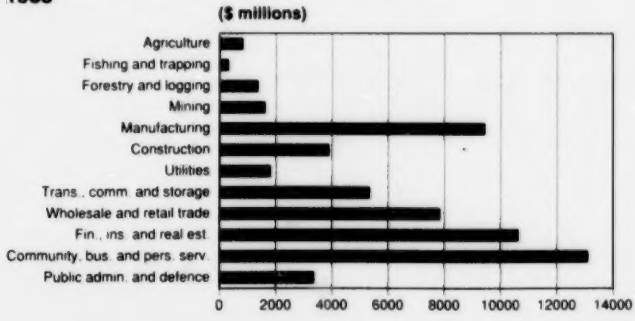
ECONOMIC DEVELOPMENT DIVISION

Branches:

- Economic Diversification
- Regional Planning and Infrastructure
- Industrial Development and Policy
- Communications Industry
- Library Services
- Special Projects

The Economic Development Division carries out a wide range of activities related to economic analysis and advice in support of policy and program design, identification of investment opportunities, and facilitation of industrial projects and economic initiatives which promote regional development and diversification. The Division acts as the prime point of contact with the federal government and other provinces on matters of economic development and diversification and advises cabinet on the economic merits of projects and development opportunities.

Structure of the British Columbia Economy
1988



Gross Domestic Product $59,402,000,000

Industrial Projects

During the year, the Division reviewed over 40 major industrial projects representing private capital investment of $12 to $14 billion. The services provided included the assessment of project needs for financial assistance and infrastructure for cabinet consideration, and negotiations required to realize the benefits of viable projects.

Forest and Mineral Sector

New projects were pursued which improved resource utilization, secured higher value-added production, and encouraged regional development. Forest sector projects begun in 1989, such as the Cariboo Fibreboard and NW Energy projects at Williams Lake, will help transform a woodwaste pollution problem into value-added panelboard and thermal electric power. In the mineral sector, the Division undertook analyses evaluating the economic and environmental viability of proposed large scale projects such as the China Steel Corporation mill and the Sherwood Metallurgical ferrochromium plant.

Advanced Technology

In support of diversification, the Division negotiated assistance for a number of advanced technology projects. A performance guarantee was provided to

EBCO Industries to build a medical cyclotron for Nordion International and the Division secured a contribution for Ballard Power Systems to help develop a methanol reformer which will enhance its fuel cell technology. A Pharmaceutical Investment Strategy was developed and is in the process of being implemented. Advice and infrastructure support was provided to establish the National Wireless Communications Research Foundation. This non-profit foundation will draw on and improve the research strengths in British Columbia by coordinating research and helping to obtain federal assistance funds.

The Division strongly supported the TRIUMF-KAON project, which represents enormous potential in numerous areas of technology, and new jobs and opportunities for many British Columbians.

Clayoquot Sound Task Force

During 1989/90 the Division actively pursued efforts to integrate environmental values into economic development and resource use decisions. In this role, staff have been responsible for coordinating and supporting the Clayoquot Sound Task Force. This task force is a prototype dispute resolution mechanism designed to increase community involvement in resource use decisions. Division staff have provided liaison among communities, other interest groups and the mediator in this model project.

Major Project Review Process

The Major Project Review Process (MPRP) was established to further support the objective of environmentally sound economic growth. In partnership with the Ministry of Environment, the Division is coordinating this review process, which provides for the comprehensive assessment of environmental and socio-economic impacts of major projects not covered by other review processes.

Sustainable Development

Through its inter-agency involvements, the Division contributed to sustainable development policies and initiatives, particularly as they pertain to economic growth and diversification and to the management of solid waste and renewable resources. Staff support was provided to the Deputy Minister in his capacity as a member of the provincial Round Table on the Environment and the Economy.

The Division was actively involved in the identification of emerging opportunities in environmentally related industries. An example was the participation in a multi-disciplinary committee led by the B.C. Science Council to effectively apply research and technology to enable industry to meet public demands for enhanced environmental quality. The Division also contributed to efforts to promote environmental industries in British Columbia through support for trade shows such as Globe 90.

Task Forces

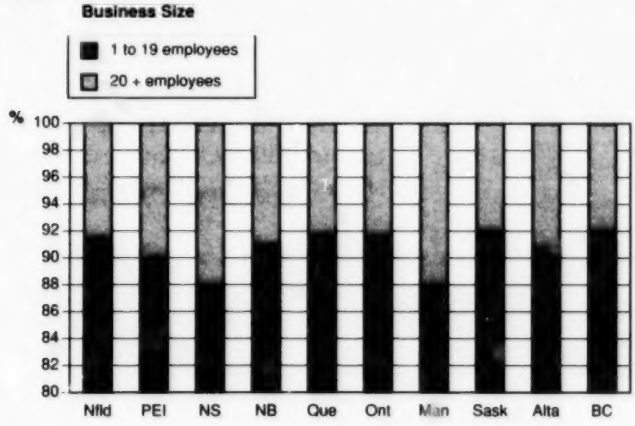
During the year the Division contributed to a number of task forces established to address industrial adjustment issues, including:

- The Kimberley Task Force, established to provide adjustment assistance and to pursue alternative development options to offset the Sullivan Mine closure;
- The Queen Charlotte Islands Economic Development Initiative, a joint federal-provincial initiative to promote alternative economic activity to off-set diminishing logging activity on the islands and to capitalize on the planned park development;
- A Shipbuilding Action Group, mandated to deal with the problems of excess capacity and lack of federal purchase commitments in the shipbuilding industry.
- A joint industry provincial government task force, established to address industrial adjustment needs in the fish processing industry.

Federal-Provincial Relations

The Division acted as the prime point of contact for the Ministry in representing British Columbia's interests with the federal and other provincial governments on matters of economic development policy and program co-ordination. In this role, the Division prepared policy and strategy options for executive and cabinet consideration and conducted negotiations in a number of areas mandated by cabinet.

Small Business Share of Total Employment for Each Province 1987



The Division was involved in federal-provincial negotiations pertaining to the Economic and Regional Development Agreement (ERDA), in the Western Procurement Initiative and in reducing interprovincial barriers to trade. Work on the ERDA involved coordination of interministry planning and developing priorities in light of unfavourable budget decisions from Ottawa. Negotiations over the implementation of the Western Procurement Initiative culminated in the signing of the Canada/Western Provinces Memorandum of Understanding which sets out a framework to increase federal procurement in western Canada over the next three years. The Division coordinated interministry work for the Committee of Ministers on Internal Trade, working towards agreements to reduce interprovincial trade barriers in government procurement, and the sourcing of beer and other alcoholic beverages.

Communications Industry

The Division was also active in the communications industry sector. A significant accomplishment during the year was completion of a strategic plan defining the objectives and procedures involved in the province's participation in the regulation of telecommunications and broadcasting. Some twenty-four representations were submitted to the Canadian Radio-television and Telecommunications Commission (CRTC) on telecommunications, broadcasting and cable matters.

An example of a major proceeding was the Review of the CRTC Cable Television Regulations. The Division commissioned a province-wide survey of cable subscribers and commissioned focus groups to elicit data on public attitudes in broadcasting and cable matters. The Division's representation at the February 1990 hearing called for tightened rate regulations, more rigorous cost separation, and increased consumer choice.

The Division administers programs to assist with the development of the province's communications infrastructure. Enhancing communications services to remote and underserved communities is a priority. Over the course of the year, 21 grants were awarded with a total value of $873,145, which improved communications services in 42 communities. In total, 170,535 British Columbians were affected by these grants.

Policy Development

In line with its responsibilities for economic policy development, the Division completed numerous studies and reports, often in cooperation with other ministries, for executive and cabinet consideration on a broad range of related issues. These issues ranged from comparisons of economic development programs with other jurisdictions and assessment of British Columbia's competitive position, to the economic implications of alternative resource and electricity pricing policies. Other examples included relative growth patterns among communities and regions, port planning and requirements, resource roads development, the sales tax on machinery and equipment, opportunities in the retirement industry, and structural changes such as modernization in British Columbia's economy and the relation to global trends.

Publications

A number of publications and marketing packages were prepared by the Division over the year. The Regional Index of British Columbia (1989 edition) was produced in cooperation with the Ministry of Finance and Corporate Relations. The British Columbia Major Projects Inventory was published on a quarterly basis listing major construction projects by region and status. Several pre-feasibility studies and development opportunity marketing packages were prepared for selected subjects. These included advanced ceramics, industrial mineral processing and silicon-based manufacturing. The Division compiled, on a regional basis, reports incorporating previously identified development opportunities and related infrastructure requirements to assist other ministries in developing policies and programs that would promote such development.

BUSINESS DEVELOPMENT DIVISION

BUSINESS DEVELOPMENT DIVISION

Branches:

- Business Development and Investment
- Community and Regional Services
- Business Finance
- Equity Programs
- Tourism Development
- Government Agents

The Business Development Division is responsible for the design, negotiation, management, implementation and evaluation of a wide range of programs, policies and services. These are designed to meet the Division's objectives of supporting industrial development, economic expansion and diversification in all regions of the province. The main thrusts include:

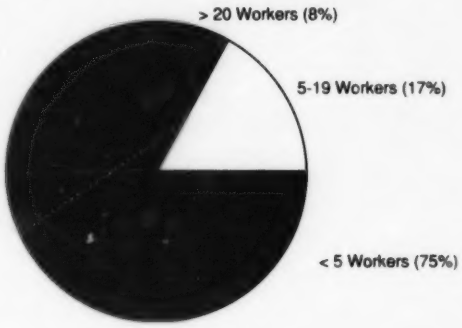
- Providing small businesses with information and advice through initiatives such as the Business Information Centres and Home-Based Business seminars.
- Encouraging small business growth and development in all regions through the Small Business Incentives Program and the Regional Seed Capital Program.
- Enhancing the availability of risk capital through the Small Business Venture Capital and Employee Incentive Programs.
- Encouraging local development awareness initiatives through programs such as Community Organizations for Economic Development.
- Identifying new business opportunities and generally promoting British Columbia as a positive investment location through initiatives such as VentureNet.

- Working with proponents to improve the province's tourist-related resorts, attractions and other tourism generators.
- Providing cabinet with strategic advice and recommendations on a wide range of business development policy issues.
- Local delivery of a wide range of programs, services and information on behalf of, or in support of, ministries and participating public bodies, through Government Agents.

Small Business Incentives

The Division continued to lead the government's thrust to encourage small business growth and development in all regions through the Small Business Incentives Program and the Regional Seed Capital Program. As of March 31, 1990, $3.5 million in loan guarantees for 98 projects had been approved. From 1985 to 1990, some 360 projects were approved for a total loan commitment of $30 million, creating an estimated 4,700 jobs.

British Columbia Number of Firms by Employment Size, All Industries
1987



Industrial Incentives

Industrial incentives were provided to projects which encouraged regional growth, diversification and value-added processing. At the end of the fiscal year,

$42.1 million in loans had been approved for 21 projects under the province's component of the federal-provincial Industrial Development Sub-Agreement, creating an estimated 3,000 jobs.

In addition, the provincial Industrial Incentive Fund provided $107.7 million in loans for projects of a similar nature, creating an estimated 1,600 jobs.

Equity-Based Financing

The availability of equity-based financing for smaller firms was enhanced through the Small Business Venture Capital Program. Up to $70 million was raised by 154 Venture Capital Corporations. The corporations invested in 99 eligible small businesses, creating or preserving some 1,500 jobs.

Employee Investment

Employee ownership was encouraged through the Employee Investment Program which was successfully launched on September 26, 1989. During 1989/90, five companies representing 500 employees registered plans through Royal Trust, the private sector delivery agent, and were authorized to raise $8.2 million by the end of 1990/91.

Business Conferences

The Division delivered information and advisory services to small businesses throughout the province. Ten Business Opportunities at Your Doorstep conferences, with 1,250 people attending, offered local entrepreneurs a chance to identify potential business opportunities in the area.

Home-Based Business

Over 100 Home-Based Business seminars were delivered to 3,000 participants providing information and training on how to start and manage a home-based business and how to market the products. Home-based

businesses throughout the province were assisted in attending the B.C. Creative Arts Show in order to be exposed to broad marketing possibilities.

Strong Communities in the 90s

This program is to help communities implement their economic development strategies. A community facilitator is provided by the Ministry to assist local individuals in implementing the priority projects of their community. Sector specialists from the public and private sector are recruited to advise on the implementation of the strategy. One community was selected from each development region for the first phase of this program. At the close of 1989/90, the program had been in operation less than two months, but community interest and support was strong in all communities, with many volunteers and many valuable ideas and proposed projects.

Community Organizations for Economic Development

The Community Organizations for Economic Development (COED) program provided assistance to municipalities and regional districts for the development and diversification of the local economy. Funding support was provided for 40 full-time economic devlopment commissions and 30 volunteer economic development committees, representing over 110 municipalities in the province. Funding support was also provided for more than 100 local and regional economic development projects.

Tourism

Tourism was a major focus for the Division. Investment in the tourism sector was promoted by identifying regional tourism opportunities and matching offshore investors with those opportunities. Further growth and development was encouraged through the Product Development Program under the federal-provincial Tourist Industry Development Sub-Agreement. At the end of this fiscal year, 47 loans had been

approved under the program, involving $18.7 million and creating an estimated 3,600 jobs.

Government Agents

Government Agents, as senior government representatives in their communities, continued to provide program delivery and revenue collection/distribution on behalf of ministries, as well as problem solving assistance to the public.

In 1989/90 the Government Agents Branch further diversified their service delivery programs by integrating with Motor Licence Offices in 10 locations. As well, toll-free service to 30 Government Agents offices was established.

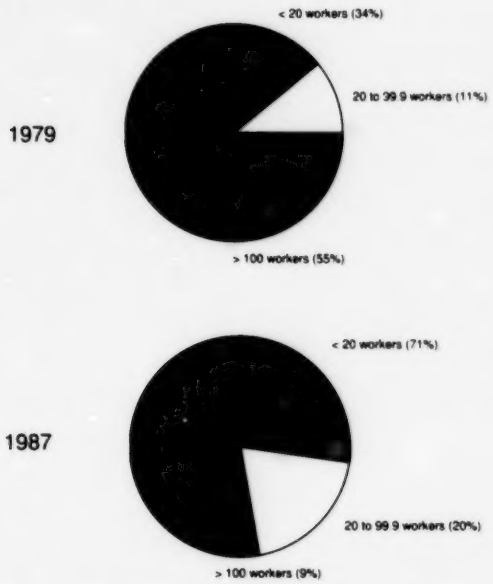
During the fiscal year, new B.C. Acess Centres were opened in Prince George, Chilliwack, Merritt, Williams Lake, Dawson Creek, Vernon and Cranbrook providing "one-stop shopping" for government services and information.

The Government Agents Branch continued to maintain its tradition of service excellence to all their clients and this resulted in the Branch receiving the "B.C. Tel Quality of Service Award," the first time a government organization has received such an honour.

Small Business Task Force

In January, 1990, the Ministry released the report of the Task Force on Small Business Programs and Services. As a major initiative for 1989/90, the task force report was the result of input and analysis from a variety of community leaders and business associations throughout the province.

British Columbia Share of Job Creation by Firm Size 1979 and 1987



The task force was established to assist the small and medium-sized business community achieve a firm economic foundation to enter the 1990s. The specific goals of the task force were as follows:

- to independently review the Ministry's small business financial incentives and business advisory services;
- to seek input on the program needs of small business in the 1990s; and
- to suggest a strategy for improving and restructuring the financial programs, business information and advisory services, and the delivery mechanisms involved in regional and economic development.

The report outlines the challenges for small and medium-sized enterprises. In order to assist businesses to achieve a firm economic foundation to enter the 1990s, the task force submitted recommendations on improving access to capital, improving access to business information and advisory services, and creating and maintaining a favourable climate for small business. The recommendations are now being acted upon.

REGIONAL DEVELOPMENT DIVISION

REGIONAL DEVELOPMENT DIVISION

Background of Regional Development

The provincial government introduced the regional development initiative in October of 1987, with a commitment to build a stronger, more diversified economy and provide increased opportunity for British Columbians in all regions. Eight Ministers of State were appointed to represent the eight development regions.

As part of the regional development process, community level participation was enhanced through the creation and appointment of regional advisory groups and task forces comprised of local government, business and community leaders. These task forces advised the provincial government on matters of regional concern.

In July, 1988, the regional development strategy evolved further when a cabinet re-organization established five Ministers of State for the eight regions, with each Minister also having a line ministry responsibility.

In November, 1989, the provincial government further enhanced the process of regional development. The Minister of Regional and Economic Development was given more responsibility for initiatives in all regions of the province and Ministers of State were replaced by an eight-member Regional Development Board comprised of the Minister of Regional and Economic Development, four other cabinet ministers and three government MLAs. The board, which operates in a corporate manner, represents all regions of the province and is designed to identify and respond to local priorities.

In November, 1989, the Ministry established a Regional Development Division.

B.C.'s vast geographical area and diverse economy demands local action to address local challenges. It is the mandate of the Regional Development Division to support local citizens and the use of local resources in the pursuit of economic health in all the regions of British Columbia, and the communities within these regions. The Division is the proactive link between the Ministry of Regional and Economic Development and

local and regional governments and other community organizations on a wide range of development issues and projects.

Regional Development Officers (located in Victoria) and Regional Development Liaison Officers (located in the regions) are the key facilitators between regional groups and senior government officials with a focus on community participation. Regional Advisory Groups and task forces, comprising local government, business and industry leaders, have been established within each region to examine specific initiatives.

Region 1: Vancouver Island/Coast
Region 2: Mainland/Southwest
Region 3: Thompson-Okanagan
Region 4: Kootenay
Region 5: Cariboo
Region 6: North Coast
Region 7: Nechako
Region 8: Northeast

Regional Initiatives

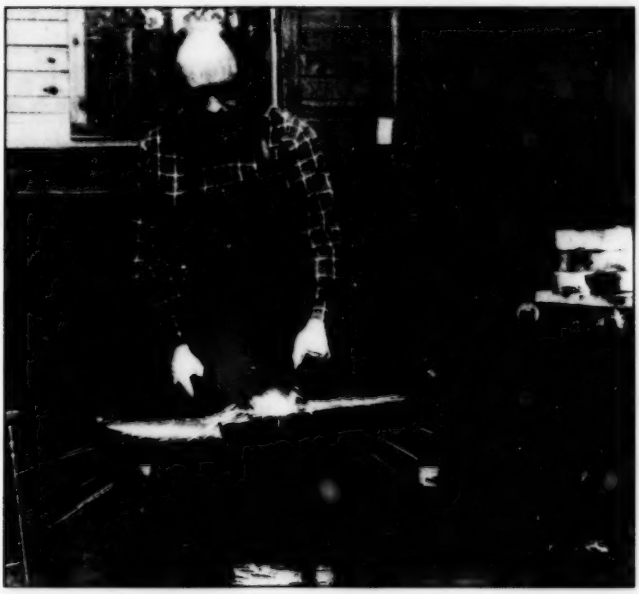
Business Service

The Vancouver Island/Coast Business Development Task Force spearheaded a number of business initiatives, including regional participation at an international trade show held in Vancouver. The task force also launched preliminary studies leading to greater

international exposure of the region's investment opportunities.

In response to a recommendation of the Vancouver Island/Coast Technology and Innovation Task Force, the region was instrumental in opening the Advanced Technology Centre, a regional resource centre in Victoria to assist and promote the Vancouver Island/Coast's growing high technology industry.

The Vancouver Island/Coast Forestry Task Force continued its initiative to develop a favourable climate for the growth and diversification of the region's wood product industry, focusing on value-added wood product manufacturing. A similar project was launched in the North Coast and Nechako.



Economic Development Officers from the Vancouver Island/Coast, Thompson-Okanagan, Kootenay and North Coast Regions were invited to attend an upcoming international trade show and investment forum in Hong Kong.

Throughout the regions, 55 Regional Seed Capital applications were approved, generating $2,719,300 in business expansion loans and creating 353 new jobs with provincial guarantees of $1,944,700.

The Mainland/Southwest Region assisted in the purchase of Weldwood-Kent Plywood by its employees, thus ensuring the future of the plant and job security for 275 employees.

The Mainland/Southwest Region also provided business advisory sessions to business people in 10 communities.

Canadian Aircraft Products of Richmond was one of several large business ventures assisted by the region during the year. The company was helped to obtain funding from the federal government and the Ministry of Advanced Education, so the company could train 200 more employees in order to meet production demands from Boeing Aircraft and the space shuttle Challenger.

The Mainland/Southwest Region also supported Native business initiatives, facilitating the development of a new gravel extraction operation for the Sechelt Indian Band and helping secure lottery funds for a new museum and cultural centre.

The Thompson-Okanagan Region launched a number of undertakings designed to promote economic diversification and import replacement and to draw increased foreign investment to the region.

B.C. Market Place, an innovative import replacement initiative undertaken in cooperation with Community Futures, introduced two brokers to the Thompson-Okanagan to identify products now imported into B.C. and facilitate buyer-supplier agreements with local producers.

Forty-two Thompson-Okanagan businesses and several Kootenay businesses were given assistance to attend Market Discovery, a Vancouver trade show that exposes provincial manufacturers to products being purchased outside the province.

To attract increased foreign investment, the Thompson-Okanagan has hosted international investor tours, arranged seminars and cost comparison studies and initiated the world-wide distribution of promotional material.

Both the Thompson-Okanagan and Kootenay Regions compiled and published Manufacturers' Directories to promote trade among the regions' manufacturers.

The North Coast Fisheries and Agriculture Task Force launched a study on potential aquaculture sites in the region. The North Coast Native Affairs Task Force provided a report on the need for business advisory services in Native communities.

The Nechako Region provided financial and organizational support for an upcoming trade show designed to

promote closer cooperation and stronger trade ties between the regional business community and mining interests.

The Nechako Region also supported a pilot Customs Office project in Smithers, the beginning of banking services in Atlin, the introduction of Government Agents in Dease Lake and Granisle, and expanded telecommunications networks to bring the Knowledge Network to more Nechako communities.

Industrial and Business Infrastructure

Transportation Task Forces in every development region played an instrumental role in the province's "Freedom To Move" transportation intiative. Task forces conducted extensive public hearings in every region, inviting local municipal government, business, transportation and community representatives to help shape the provincial government's long-term transportation plan.

Resources brought to bear by Vancouver Island/Coast Region facilitated an agreement between Mt. Washington Ski Resort, Fletcher Challenge and the provincial government, that resulted in ownership of the Mt. Washington access road being transferred to the province and lifting development restrictions on the mountain.

The Thompson-Okanagan, Kootenay, Vancouver Island/Coast, Cariboo and Northeast Regions completed Economic Opportunities Studies, indicating the infrastructure improvements necessary to ensure continued economic growth.

Supported by a recommendation from the Kootenay Sewage and Water Systems Task Force, the Kootenay Region helped negotiate a cost-sharing agreement to fund improvements to the Creston sewage treatment plant, to increase capacity and accommodate future developments.

The Cariboo Region supported a feasibility study to find an environmentally safe alternative to the current practice of burning wood debris generated by local sawmills. The study determined that the quantity of wood "waste" was sufficient to fuel a viable thermal electric generating station, and has attracted promising attention from potential private investors. Nechako Region has launched a similar study.

The North Coast Mining Task Force continued to

support the development of an access road to the Iskut River area.

Northeast committees examined a number of issues, including the comparative cost of grain production in British Columbia and Alberta, the northern tax allowance, and road access to Monkman Provincial Park.

The Northeast Agriculture Committee and the Advisory Board were instrumental in the signing of the Prairie Farm Rehabilitation Agreement, a joint federal-provincial agreement making technical and financial assistance available to support soil conservation and irrigation developments.

Following a study of fire suppression capability in the region, the Northeast Forestry Committee and Advisory Board recommended to the Ministry of Forests that an air tanker be permanently based in the region. The Ministry followed up on the recommendation and agreed to base a tanker in the region for the 1990/91 fire season.

Tourism and Recreation

As one of British Columbia's fastest growing industries, tourism offers potential for economic growth throughout the province. To encourage the trend and assure that every development region is prepared to capitalize on new tourism opportunities, regional task forces were struck to assess their respective region's tourism strengths and shortcomings and to develop recommendations to maximize the region's potential.

The Thompson-Okanagan, Kootenay, Cariboo, North Coast and Northeast Regions launched intensive studies involving public input to help develop tourism development recommendations to be implemented in conjunction with the provincial government.

Kootenay Region staff and the Parks, Recreation and Tourism Task Force assisted with negotiations with the Ministry of Parks, leading to shorefront on Christina Lake being designated for parkland. Staff also worked with B.C. Hydro to ensure land on Arrow Lakes was set aside for public purposes and to initiate debris clean-up programs on Columbia River reservoirs.

The Cariboo Region funded several studies to determine special facility needs in Prince George, Williams Lake and Alexis Creek.

The Northeast Region assisted in obtaining lottery funding for Alaska Highway Rendezvous '92, a joint

Canada-U.S. celebration commemorating the fiftieth anniversary of the Alaska Highway.

Health

To meet the challenges of health care throughout British Columbia, Kootenay, Cariboo and North Coast task forces, comprising local health officials, professionals and administrators, were struck to examine local needs and advise government on ways to more effectively allocate health resources.

Task forces in several regions, particularly the north, focused on methods to recruit and retain health professionals to serve local populations.

Acting on a recommendation by a Northeast task force, struck to review dental services in the region, the Ministry of Health and the Ministry of Regional and Economic Development launched a pilot project in the Northeast to provide dental care to children from low income families.

Regional committees of community and health representatives evaluated applications for funding under the provincial government's TRY (The Responsibility is Yours) initiative, a campaign against drug and alcohol abuse.

Education

Education and job training task forces were struck in most regions to help assess the effectiveness of education resources on a regional basis and liaise with regional business communities to determine what areas should be emphasized.

The Cariboo, North Coast, Nechako and Northeast Regions supported the creation of a northern university.

MANAGEMENT SERVICES DIVISION

MANAGEMENT SERVICES DIVISION

Branches:

- Finance and Administration
- Personnel Services
- Computing Services

The Management Services Division is responsible for the provision of financial, administrative, personnel and information systems to the Ministry of Regional and Economic Development and the Ministries of Crown Lands, Native Affairs and Parks.

- The Finance and Administration Branch, in conjunction with its clients, develops, implements and operates the financial management and control systems. The Branch's clients include internal Ministry of Regional and Economic Development Divisions, other ministries, vendors and the general public. The Branch is also responsible for providing advice and support to the ministries on a range of administrative matters such as vehicle management, telecommunications, facilities management and records management.
- The Personnel Services Branch provides a broad range of human resource management services to the Ministry of Regional and Economic Development and client ministries, including recruitment and selection, salary administration, position evaluation and organizational analysis, collective agreement administration and staff development, as well as safety services and personnel management information systems.
- The Computing Services Branch ensures that the MRED and client ministries obtain effective use and maximum benefit from information systems. This is achieved by assuming the responsibility for the development and implementation of corporate systems. The Branch provides the framework for system expenditures and develops strategic system plans to support the business objectives of the Ministry of Regional and Economic Development and client ministries.

STRATEGIC SERVICES AND COMMUNICATIONS

STRATEGIC SERVICES AND COMMUNICATIONS

The Branch ensures that information about Ministry of Regional and Economic Development programs is available to client groups, that the general public is aware of the role of the Ministry, that the media has accurate and current information to assist them in reporting activities of the Ministry, and that the Minister and Ministry officials are advised on sensitive public affairs issues in a timely manner.

The Branch has the responsibility for strategic research and communications planning; press conferences and special events; advertising and publications, including the B.C. Talks Business magazine; and the provision of speaking notes, issues management and briefing material for the Minister.

OVERVIEW OF MINISTRY PROGRAMS

OVERVIEW OF MINISTRY PROGRAMS

The Ministry's mandate to foster environmentally sound economic development and regional diversity is best illustrated by its programs.

Community Organizations for Economic Development (COED)

This program is an element of the Provincial-Municipal Partnership Program and is designed to help municipalities develop and implement their own economic strategies and promote their communities as an attractive place to do business. The volunteer commissioners or full-time officers also work with local firms on development opportunities.

Strong Communities in the 90s

This program encourages local economic diversification by providing consulting services to help communities in the eight development regions implement their economic development strategies and access federal and provincial programs and services.

Business Opportunities At Your Doorstep

The program is intended to identify local business opportunities in every region of the province. Conferences are held throughout the province with established business people counselling entrepreneurs and potential entrepreneurs.

Home-Based Business Program

The objective of this program is to help home-based business people with business and marketing skills. The program includes workshops on starting up and running home-based businesses and on marketing home-based business products.

Business Information Centre Program

The program is set up to supply basic information to the small business community and to provide a first point of access to assistance programs and services available from government agencies. Funded by the Ministry, local Chambers of Commerce have set up Business Information Centres (BICs) in Chamber offices in 75 communities throughout the province. The centres have stocks of publications and other materials produced by various government agencies and provide businesses and potential businesses access to business information, consumer contacts, business education material, business management training video tapes, and British Columbia Business Network (BCBN) databases.

Services for Small Business Development

This is a pilot program in the Kootenay Region designed to streamline business development services, thereby strengthening local businesses and encouraging economic diversification in the region.

B.C. Market Place

B.C. Market Place, an import replacement program, matches local manufacturers and suppliers with businesses that currently buy similar products from outside of B.C. By promoting sourcing from within B.C., the program provides potential for many new business opportunites throughout the regions.

VentureNet

The program facilitates the financial matching of entrepreneurs seeking capital investment with investors searching for equity investment opportunities.

Small Business Venture Capital Program

The program was designed to encourage private sector investment in selected economic sectors such as

manufacturing and processing, research and development, resorts, aquaculture, oceanography, feature film development, master audio tape production, and book publishing.

Employee Investment Program

This program was designed to assist employees to invest directly in the company for which they work (Employee Share Ownership Plans) and to assist with indirect investment in eligible businesses by pooling investment funds of employee groups and labour organizations (Employee Venture Capital Corporations).

Program for Educational and Entertainment Television Services

This program is designed to help communities access the educational programming of satellite-delivered Knowledge Network television, as well as some entertainment television channels also available on Canadian satellites. It mainly targets communities with populations less than 2,500.

General Communications Grants Program

This grant program is intended to assist rural and remote communities to extend and/or improve communications services, including the construction of community-owned facilities.

Small Business Incentive Program (Federal-Provincial)

This program assists small and medium-sized businesses to establish, modernize or expand thereby creating new employment opportunities and diversifying British Columbia's economic base.

Tourism Development Sub-Agreement (Federal-Provincial)

The mandate for this federal-provincial program is the development of destination resorts, events and attractions.

Industrial Development Sub-Agreement (Federal-Provincial)

This program was introduced to strengthen the competitive position of existing major industries and help realize opportunities for increased industrial diversification. The sub-agreement has three major components:

- Modernization Program, to support resource-based industries, primarily forest-related, in meeting modernization needs through the use of advanced technology;
- Value-Added Program, to encourage the further manufacturing and processing of primary resources; and
- Industrial Diversification Program, to stimulate investment in major industrial ventures that will diversify British Columbia's industrial base.

MINISTRY PUBLICATIONS

MINISTRY PUBLICATIONS

Periodicals

- ***B.C. Talks Business***
  A magazine highlighting business and business opportunities in British Columbia.
- ***Working Together Newsletters***
  Newsletters published for each of the eight development regions to inform people of recent developments in their region.
- ***British Columbia Major Products Inventory***
  An inventory of major projects planned or underway in British Columbia, published quarterly.

Small Business Publications

These publications may be purchased through your nearest Business Information Centre or from your Government Agent.

- ***Independent Business Handbook***
  A 76-page guide for people starting a business.
- ***Operating An Independent Manufacturing Business***
  A 46-page guide for small manufacturers.
- ***Operating An Independent Retail Business***
  A 41-page basic guide to operating a retail business.
- ***Operating An Independent Service Business***
  A 41-page basic guide to operating a service business.
- ***Exploring Business Opportunities***
  A 48-page handbook on discovering and testing new venture ideas.
- ***Licensing And Regulations For B.C. Business***
  A 33-page guide to government rules and regulations involved in establishing a business in British Columbia.
- ***Preparing A Business Plan***
  Guidelines for business planning, attracting investors and applying for financial assistance.

- ***Preparing A Cash Flow***
  Guidelines and worksheets for preparing your own cash flow forecast.

Program Information

- ***Employee Investment Program***
  (Brochure)
- ***Home-Based Business Program***
  (Brochure)
- ***Home-Based Business Manual: Starting Your Home-Based Business***
- ***Home-Based Business Exhibitor's Handbook For Trade Shows, Exhibitions And Fairs***
- ***British Columbia's Small Business Venture Capital Program***
  (Brochure)
- ***B.C. Market Place***
  (Brochure)
- ***Strong Communities In The 90s***
  (Brochure)
- ***Venturenet***
  (Brochure)

Other Publications

- ***Manufacturers' Directory***
  A listing of manufacturers in the province, published by the Ministry of Finance and Corporate Relations.
- ***Major Project Review Process Guidelines***
  Detailed guidelines explaining the procedures of the Major Project Review Process.
- ***British Columbia Regional Index***
  A 276-page economic description of British Columbia, published jointly by the Ministry of Regional and Economic Development and the Ministry of Finance and Corporate Relations.